

HOUSE REPUBLICAN CONFERENCE

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(Courtesy of the House Natural Resources Committee and Energy and Commerce Committee)

Increasing American Energy Production Will Lower Gasoline Prices, Create More Jobs

Courtesy of the House Natural Resources Committee and Energy and Commerce Committee

- Oil prices have hit \$100 a barrel for the first time since October 2008, due in part to the growing unrest in the Middle East. According to the independent U.S. Energy Information Administration (EIA), gasoline prices have risen nearly 20 cents in the last week and 68 cents since this time last year, hurting American families and our economy. According to an analyst from Cameron Hanover, for every penny the price of gasoline increases, it costs consumers an additional \$4 million per day. That equals \$1.4 billion over an entire year. Even the smallest increase in gasoline prices has a significant impact on our economy.
- The U.S. can help insulate ourselves from these energy spikes and help our economy by actively producing our own American energy resources. Republicans support an all-of-the-above energy approach that includes more American produced oil, natural gas, coal and nuclear, along with alternative sources such as wind, solar, hydropower and geothermal. This will lower prices, create new American jobs, reduce our dependence on foreign oil, strengthen our national security and raise revenue to help tackle the \$14 trillion national debt.
- From day one, the Obama Administration has actively taken steps to block or delay American energy production, making the U.S. more reliant on unstable foreign countries for our energy.
- At the same time, the Obama Administration's Environmental Protection Agency has been pursuing an aggressive anti-business agenda with no congressional authorization, attempting to impose a job-destroying national energy tax with regulations under the Clean Air Act. These regulations make gasoline and electricity even more expensive at a time when Americans can least afford, imperiling job creation and economic growth. It doesn't have to be this way.
- The following steps should be taken to increase American energy production, provide families with relief at the pump, and create American jobs:
 - **End De Facto Drilling Moratorium in the Gulf of Mexico.** The Interior Department's decision to issue only a handful of shallow water permits and one deepwater permit since the Deepwater Horizon explosion last April is hurting our economy. According the Administration's own estimates, the moratorium has resulted in 12,000 lost jobs and rigs are actively leaving the Gulf for foreign countries like Cuba, Brazil and Mexico. According to the EIA, production in the Gulf has declined by nearly 300,000 barrels a day since last April.

- **Increase Offshore Production.** President Obama has placed the entire Pacific Coast, Atlantic Coast and the Eastern Gulf off-limits to future energy production – as it was before Congress lifted the moratorium in 2008. A good portion of Alaska’s Outer Continental Shelf is also being kept under lock-and-key. According to the American Energy Alliance, expanding drilling in the OCS could create 1.2 million jobs annually across the country and generate \$8 trillion in economic output.
- **Increase Alaskan Production.** Declining production on the Alaskan north slope threatens the efficiency and cost-effectiveness of the Trans-Alaska Pipeline (TAPS), a vital artery of domestic oil. Several fields with tremendous potential await exploration and production, but the Administration continues to drag its heels on permits and embargo our own oil from ourselves. New production is needed to keep TAPS running and providing a safe and secure source of oil for the Lower 48. The Administration is also blocking development of the National Petroleum Reserve-Alaska (NPR-A), which according to the USGS holds nearly 1 billion barrels of oil and 53 trillion cubic feet of natural gas.
- **Increase Onshore Production.** Regulations imposed by the Obama Administration have significantly decreased onshore oil and natural gas production. BLM oil and gas leasing in the Rocky Mountain West (CO, NM, UT, WY, MT and ND) has fallen by 67% since 2005. In addition, the Western U.S. holds more than half of the world’s oil shale resources, which can be converted to crude oil using new technology. USGS estimates that the region may hold more than 1.5 trillion barrels of oil - six times Saudi Arabia’s proven resources - and enough to provide the U.S. with energy for the next 200 years.
- **Stop Blocking Access to North American Resources.** Instead of relying on energy sources half a world away, America has opportunities to access energy from an ally and neighbor here in North America. Preventing that from happening, the Obama Administration is stalling approval of the Keystone XL pipeline, which would create new American jobs while enhancing our energy and national security by bringing 700,000 barrels per day of Canadian oil to U.S. consumers. The Keystone XL pipeline would also allow us to access several hundred thousand barrels per day of oil in the newly-discovered Bakken formation in North Dakota.
- **Don’t Increase Taxes on American Energy.** Republicans oppose efforts by the Obama Administration to make energy more expensive and destroy jobs by imposing new taxes. The President’s FY 2012 budget proposal includes over \$60 billion in tax and fee increases on American energy production. These taxes will hurt our economy and simply be passed on to consumers, resulting in even higher prices at the pump.

